

1 look at financials in connection with determining
2 whether an acquisition price was an appropriate price,
3 was broadcast cash flow an important financial input
4 for you to look at?

5 A Generally it is, but it's not the only.

6 Q What are the other financial data that you
7 look at?

8 A Just the fact that it has a license --

9 Q That's an important --

10 A -- has some value.

11 Q Why does having a license add some value?

12 A It has the opportunity to create revenue.

13 Q In the -- in broadcasting radio.

14 A Yeah.

15 Q In connection with the -- the Tichenor
16 acquisition, did -- did Clear Channel advance
17 \$40 million to Tichenor Media to enable it to close on
18 the purchase of two radio stations in northern
19 California?

20 A Yes.

21 Q And that was prior to the acquisition of
22 Tichenor Media by Clear Channel?

23 A That was part of the merger agreement that
24 we agreed to. As I remember, we agreed in the merger
25 agreement to advance \$40 million so during the time

1 that it took to close the merger they could close
2 their -- their deal with -- in San Francisco. And we
3 made some arm's length loan to them, as I remember,
4 for that -- for that purpose to really help them
5 through the acquisition that they didn't necessarily
6 have the wherewithal to do themselves.

7 Q So they needed -- they needed the money from
8 some source and you -- you provided it.

9 A Yes.

10 Q And did you have conversations with them
11 about whether they could have gotten that financing
12 from some other source?

13 A As I remember, I think they were considering
14 selling a part of the equity of the company which I'm
15 sure played into the reasoning for doing the loan, but
16 I don't remember the details of that.

17 Q That's because Clear Channel wouldn't want
18 them -- wouldn't want Tichenor Media to sell equity at
19 a point where you were acquiring --

20 A Well, we're in the merger transaction.

21 Q Did -- did -- in 1996 did you have any
22 involvement in discussions with Golden West
23 Broadcasting over the acquisition KSCA/FM in
24 Los Angeles?

25 A I really didn't -- wasn't involved in that

1 except to a limited degree. Most of that was done
2 with -- with -- I forgot the lawyer's name that was
3 representing the Autry interests there.

4 Q Well, did -- what was the nature of your --
5 what you described as your limited involvement in that
6 transaction?

7 A I was aware of it.

8 Q Did you have any discussions with
9 Jackie Autry or anyone else representing the sellers?

10 A Late in the negotiations I did, yes.

11 Q And with whom did you have negotiations?
12 With Jackie Autry?

13 A Toward -- toward the end of the
14 negotiation --

15 Q Okay.

16 A -- I did talk with Jackie, yes.

17 Q Did you talk -- other than Jackie Autry did
18 you talk to anyone else at Golden West?

19 A i was -- i was involved in some of the
20 conversations with the lawyer Gartmore [sic] or -- I
21 don't remember his -- his name. You probably know and
22 can refresh my memory there. That it's my
23 understanding that this was originally discussed with
24 Heftel.

25 Everyone knew that the station was

1 available. And we thought that station was going to
2 go to MS Broadcasting. That was...

3 Q Why did you think that station was going to
4 go to MS Broadcasting?

5 A Because we knew they were involved in the
6 negotiations and...

7 Q Did you think they were offering a -- a
8 higher price than you were prepared to pay?

9 A I don't know.

10 Q Do you know why you thought it would go to
11 them instead of to -- to you or someone else?

12 A Only if they had the financial resources and
13 paid a higher price. I think there was some question
14 whether they had the financial resources as far as the
15 sellers were concerned.

16 Q So from the seller's perspective the -- the
17 creditworthiness of the buyer was an important aspect
18 of the transaction?

19 A Yes.

20 Q And did they say that to you?

21 A It's true in any business transaction.

22 Q But in particular did -- did the Golden West
23 Broadcasting or Jackie Autry or their lawyer say that
24 to you?

25 A No. Not during the initial discussions.

1 Q But that was your understanding of what MS's
2 problem was?

3 A I don't know whether they had the financial
4 resources or not.

5 Q What -- how many times did you meet with
6 Jackie Autry?

7 A None.

8 Q Did you talk to her on the phone?

9 A I did talk to her on the phone, yes.

10 Q And how many times did you talk to her on
11 the phone?

12 A Once, maybe twice. I don't remember.

13 Q Was that late in the negotiations?

14 A Yes.

15 Q And how did you come to talk to Jackie Autry
16 on the telephone?

17 A I'm -- I really don't remember. Since then
18 she's become a friend of mine only because we have
19 some common interests and I serve on her board of her
20 late husband's museum.

21 Q The Gene Autry museum?

22 A Uh-huh. Yes.

23 Q Did you -- what did you say to Jackie Autry
24 in the telephone calls you had?

25 A I'm not sure whether she called me or I

1 called her. But it was relating to the fact that she
2 wanted to insure that Clear Channel supported this
3 financial obligation because she didn't know the
4 Heftel organization. And I think she probably brought
5 up MS at that juncture.

6 Q So you -- as you were aware of the
7 negotiations at that point, Heftel was trying to buy
8 the station?

9 A I think Heftel was trying to buy it before
10 we even bought an interest in Heftel.

11 Q And then -- and then what Jackie Autry was
12 to ask you to be the --

13 A And then the -- Heftel, after we acquired
14 the interest, had an interest in acquiring it.

15 Q So Jackie Autry in the call asked that Clear
16 Channel, rather than Heftel, be the actual purchaser
17 from Golden West of KSCA?

18 A No. That's not what I said at all. The
19 only thing Jackie wanted to -- to understand was that
20 we, in effect, stood behind the transaction because
21 she knew that we were a substantial company.

22 Q So that she could rely on your credit
23 instead of Heftel's credit.

24 A Correct.

25 Q And do you know -- did the transaction go

1 ahead with --

2 A Yes.

3 Q -- you --

4 A Yes.

5 Q Who was the purchaser? Clear Channel or
6 Heftel?

7 A Heftel. Or we signed our option to Heftel
8 on -- on -- we paid -- as I remember the transaction,
9 we paid \$10 million for the option to later acquire
10 the station for specific estate reasons, and as soon
11 as we acquired that option we assigned that to
12 Heftel. So -- and then I presume that Heftel paid the
13 \$10 million.

14 MR. DWYER: The tape is about out so
15 why don't we take our morning break.

16 MR. SUSMAN: Morning break, 15
17 minutes.

18 THE VIDEOGRAPHER: This is the end of
19 tape one. We're off record. Time is 11:10.

20 (Recess from 11:10 to 11:21)

21 THE VIDEOGRAPHER: This is the start of
22 tape two. We're back on record. The time is 11:21.

23 Q Mr. Mays, I just wanted to ask you a few
24 more questions about the Golden West transaction.

25 You -- you talked about the one or

1 maybe two conversations you had with Jackie Autry. Is
2 that all you remember about the conversations you had
3 with her?

4 A Yes.

5 Q And do you remember anything about the
6 conversations you had with the lawyer representing
7 Golden West?

8 A No.

9 Q Did you have any conversations with anyone
10 from Heftel about the Golden West acquisition?

11 A I'm sure that we were -- I'm trying to think
12 what the time frame is. I'm sure, yes, that -- I
13 think I was CEO of Heftel at that juncture. Was I?

14 Q I believe so, yes.

15 A Yes. I think so.

16 Q Do you remember any of the conversations --

17 A I wasn't -- I wasn't talking to myself
18 but...

19 Q Do you remember any of the conversations you
20 had within Heftel about the acquisition of KSCA?

21 A None, other than it was a -- a very
22 aggressive price and that we would have to be very
23 successful in the change of format from an alternative
24 rock station to a Spanish-language format, that it was
25 certainly an aggressive investment. That's all I

1 remember.

2 Q Can you give any --

3 A Which happens to, you know, be the truth.

4 Q Did you give any consideration at the time
5 to acquiring KSCA/FM for Clear Channel rather than for
6 Heftel?

7 A No.

8 Q Why not?

9 A Well, I think the reason is because we
10 weren't in that market at that juncture and it would
11 have been a stand-alone non-cash flow station. And
12 I'm just not sure that we could have had the upside --
13 it would have been worth more to MS than to us because
14 they already had a very strong station there. So
15 there had to be a reason to be able to sharply
16 increase the cash flow.

17 And I felt that in a Spanish-language
18 format, that that was certainly more possible, more
19 probable, than in another format that -- now, we could
20 have put the Spanish-language station into Clear
21 Channel. But being CEO of both companies that was
22 what I was talking about. I think that would be
23 viewed as a conflict that I didn't want to engage in,
24 and that was the reason it was done.

25 Q What do you mean by saying that MS had a

1 better opportunity than Clear Channel because MS
2 already had at least one station in that market?

3 A Well, they had a successful station there so
4 they had the economies of scale dropping another
5 station into their operation, and it would have been
6 much easier for them to develop cash flow than us. We
7 weren't in the market at that time. And it was large
8 aggressive price.

9 Q What are the economies of scale that come
10 from having -- already having at least one station in
11 a market when you acquire a second?

12 A Well, you generally house them together, as
13 a principal economy, and you sell them together, and
14 those types of -- of benefits of having two stations
15 in a market rather than a single stand-alone station,
16 you know.

17 Q Are there also -- did you finish your
18 answer?

19 A Yes

20 Q Are there also advantages that come from
21 being able to position two stations with different
22 formats in the same market?

23 A There could be.

24 Q And you've done that in some of your
25 markets.

1 A Sure.

2 Q And in doing that you try and take -- you
3 try to take market share in -- in each of the formats
4 away from other radio competitors?

5 A Different demographics.

6 Q Did -- did Heftel, either the old Heftel or
7 the about to be new Heftel, already have a
8 Spanish-language station in Los Angeles?

9 A Yes.

10 Q So that -- can I correctly assume, then,
11 that the -- the Heftel old or new combination would
12 have had an advantage in -- in putting that KSCA
13 acquisition together with their existing --

14 A Yes. They already had a staff there. They
15 had an operation.

16 Q Was there anything about the Los Angeles
17 market that you thought made it particularly
18 attractive to -- in late 1996 to having another
19 Spanish-language station begin?

20 A Well, there was enormous growth in the
21 Hispanic population there that would, I think, assume
22 that you might have more listeners to that format.
23 And if you broaden the format that would be an
24 advantage.

25 Q And by broaden the format do you mean have

1 more than one Spanish-language format?

2 A Format.

3 Q Are you familiar with any
4 Spanish-language -- you know, specific types of
5 Spanish-language format?

6 A Yes.

7 Q What -- what types are you familiar with?

8 A Well, there's just like American -- or Anglo
9 or English or Polish Polka, or whatever, there are
10 different types of music that's played either for the
11 older demographic it's called either amore, romantica,
12 and the younger is either called Tejano format or a --
13 a hip format.

14 Q Were you aware -- other than -- other than
15 MS, were you aware of any other companies other than
16 MS or Heftel that had negotiated with Golden West over
17 the possibility of buying --

18 A No.

19 Q -- KSCA?

20 A I don't think I was aware of anybody else
21 that was in the fray at -- at that time. But I didn't
22 know, you know. Those auctions are held
23 confidentially and so there could have been. There
24 could have been others I didn't know about.

25 Q So that SBS may have been bidding for that

1 station as well?

2 A They could have been, but I didn't -- I
3 didn't think they were.

4 Q Why didn't you think they were?

5 A I just -- their name never did come up --

6 Q Did --

7 A -- in any of my conversations that I
8 remember.

9 Q Did you ask anyone at Heftel who they
10 thought was also trying to negotiate to buy that
11 station?

12 A I don't remember whether I did or not.

13 Q Was the -- you had talked before about how
14 the station was acquired by acquiring an option to buy
15 the station after the death of Gene Autrey. Do you
16 remember that?

17 A Uh-huh. Yes.

18 Q And was that something that -- had you ever
19 bought a station before in -- in that way where you --
20 where you acquired a future right to buy the station
21 after the death of the owner?

22 A No. But I certainly -- I mean I had no
23 problem with -- with that. I -- I think I knew the
24 reason, and I think it was pretty creative.

25 Q Was the reason a tax reason?

1 A I would assume so but I -- I don't know that
2 to be fact. That -- that would make sense.

3 Q Did -- did Heftel acquire the right to
4 broadcast on that frequency prior to the death of
5 Gene Autry?

6 A Yes.

7 Q How -- how was it operating on that
8 frequency prior to owning the station?

9 A Heftel changed the format immediately to
10 Spanish language, I believe after they paid the
11 auction price to -- to the Autry family.

12 Q But were they operating under an LMA before
13 they actually acquired title to the station?

14 A Yes. That's my understanding.

15 Q Did you come up with the idea of -- you
16 talked about the idea of having a -- an option to have
17 a future right to buy the station after the death of
18 Gene Autry. Was that your idea?

19 A No.

20 Q Where did you -- where did that idea come
21 from?

22 A I presume it came from the Autry family.
23 I'm sure the -- the lawyer was involved in -- in that,
24 but I don't know to what extent.

25 Q So what you know is that was the deal on the

1 table when you became involved?

2 A That, I think, as I remember, came later.
3 The gross price was the -- what was being auctioned.
4 And that may or may not have come later.

5 Q And -- but to the best of your knowledge it
6 was not -- that was not an idea that Heftel put
7 forward.

8 A Correct. I don't remember if it was.

9 Q And it wasn't --

10 A And we wouldn't -- there would be no reason,
11 you know, necessarily for us to suggest that.

12 Q In -- after you had your meeting in the
13 summer of 1996 that was also attended by Mr. Tichenor,
14 Mr. Shrinsky, and Mr. Alarcon, at which you flew to
15 Miami and you thought the price Mr. Alarcon wanted was
16 too high, did you become aware of any conversations
17 that your son Randall had with Mr. Shrinsky later that
18 year concerning the possibility of a business
19 accommodation with SBS?

20 A No.

21 Q Have you since become aware of any such
22 discussions?

23 A I don't remember specifically him saying
24 that he had a discussion. He very well could have.
25 There have been lots of discussions between people

1 was on that one.

2 Q Were there any investment bankers with you
3 on those -- those road shows?

4 A They generally travel with you on the --
5 kind of guide you around to the different spots. And
6 I believe Alex Brown was the lead bank so they would
7 have a representative there. Not necessarily in the
8 meetings, but traveling with you.

9 Q Was -- was Jeff Amling the lead banker
10 for --

11 A Could very well have been, yes.

12 Q Do you know Mr. Amling?

13 A Yes, I do.

14 Q Have you dealt with Mr. Amling
15 professionally?

16 A Yes.

17 Q Has Mr. Amling done underwritings for Clear
18 Channel?

19 A Yes. He has -- I also have another contact
20 there, but he has been kind of the lead person that
21 represents Alex Brown and -- and Clear Channel.

22 Q And over what period of time has Mr. Amling
23 done, you know, underwritings for Clear Channel?

24 A I think the first one was in 1993.

25 Q And has he -- has he continued to do

1 underwritings for Clear Channel more recently than
2 that?

3 A More recently than what?

4 Q 1993.

5 A Yes.

6 Q And how -- what underwritings -- has he done
7 underwritings in -- after 1997 for Clear Channel?

8 A I don't think so, no. I don't think -- I'm
9 pretty confident we haven't had any, but I'm not sure.

10 Q Has Alex Brown received any fees from Clear
11 Channel since 1997?

12 A I don't know.

13 Q Is there -- is there a reason why Alex Brown
14 as opposed to one of the New York firms was involved
15 in the -- the underwritings of Clear Channel in the
16 1990s?

17 A No, except we made a change from '91 to '93
18 to Alex Brown. And they did a very, very good job in
19 marketing our securities and, therefore, we used them
20 as a co-lead in subsequent offerings.

21 Q Does Alex Brown have a particular expertise
22 in the radio business?

23 A I would say they do have an expertise in the
24 radio business. I -- but there are a lot of people
25 that have an expertise in the radio business that we

1 use as co-managing leads.

2 Q Who are the other underwriters you think
3 have particular expertise in the radio business that
4 you've used in underwritings?

5 A Most all of them that have participated in
6 with -- with us.

7 Q Who have been the principal investment
8 bankers for Clear Channel from 1993 to the present?

9 A Morgan Stanley and Goldman Sachs and Bank of
10 America, and certainly Alex Brown, Merrill Lynch,
11 Salomon Smith Barney.

12 Q Lehman Brothers?

13 A Lehman Brothers.

14 Q Who was the underwriter in the '91 deal that
15 Alex Brown replaced?

16 A Paine Webber and Bear Stearns.

17 Q Have you -- have you met a research analyst
18 named Drew Marcus from Alex Brown?

19 A Yes.

20 Q Was he with you on the 1997 road show?

21 A Very possibly he was on at least part of
22 it. I don't remember.

23 Q Do you have an opinion as to Drew Marcus as
24 a radio broadcast analyst?

25 A I think he's very good.

1 Q Did you have any discussions with Russ Oasis
2 after you had ceased to be the CEO of Heftel?

3 A I don't think so because I think the
4 transaction had -- had moved to SBS at that juncture.

5 Q When did you -- what was the nature of your
6 discussions with -- with Russ Oasis or the Potamkins
7 or anyone representing New Eura -- or New Age in
8 connection with the sale of the two Miami stations?

9 A I had discussions with both Russ Oasis and
10 Alan Potamkin.

11 Q And were those discussions about the
12 possibility of -- of those two stations being sold?

13 A Of Heftel buying those two stations.

14 Q That was my next question. Was of selling
15 the stations to Heftel?

16 A Yes.

17 Q As opposed to selling them to Clear Channel?

18 A Correct.

19 Q And was it because they were
20 Spanish-language stations that were thinking of buying
21 them for Heftel?

22 A That was the principal reason. And Heftel
23 had a presence in that Miami market at that juncture
24 which was beneficial from Heftel's standpoint, too.

25 Q Did Clear Channel have a presence in the

1 Miami market at that point?

2 A I'm not sure whether we did or -- or not.
3 We -- it was -- I'm not sure whether it was '97 or --
4 I'm not sure when we gained our presence there. We
5 bought a Cleveland company that had stations in Miami,
6 but I'm not sure when that was.

7 Q Did you -- did you ever have any involvement
8 with the possible sale of those two Miami stations at
9 meetings in Miami?

10 A I don't -- I don't think so. I -- I know
11 that Russ Oasis came here at least once, maybe twice.
12 Seems like there was a meeting in New York where maybe
13 Alan Potamkin was -- was involved, or maybe he came
14 here with Russ Oasis as well.

15 Q You don't remember being in -- in Miami at a
16 meeting with anyone representing Russ Oasis or
17 Potamkin?

18 A No, I don't.

19 Q How far -- how far did the negotiations get
20 that you were involved with on behalf of Heftel?

21 A Well, we could have -- we thought **we** had
22 concluded the transaction. We had drafted documents.
23 And we thought we had a deal to purchase those
24 stations to come into the Heftel company.

25 Q Did you have a purchase price?

1 A We did, but I don't remember what it was.

2 Q So you -- in your mind you -- everything was
3 completed in the deal except for the signatures on
4 the -- on the documents?

5 A Yeah.

6 Q What -- what happened that stopped you from
7 entering into those agreements with Oasis and
8 Potamkin?

9 A I presume that SBS made a higher price than
10 we were willing to pay. I guess he shopped our bid to
11 them and they agreed and they won the auction, as it
12 turned out.

13 Q You say you presume. Is that just an
14 assumption on your part, or do you know anything
15 that --

16 A That's just an assumption on my part.

17 Q Did Mr. Oasis or Mr. Potamkin tell you that?

18 A No. I don't remember that they did. They
19 could have. It -- it's just a...

20 Q After the deal -- after the deal was closed
21 by SBS or announced by SBS did you become aware of
22 what price SBS offered?

23 A I don't remember.

24 Q Did you ever become aware of whether your
25 assumption that they offered a higher price was

1 actually true?

2 A I don't remember. I just presume that's the
3 case.

4 Q Were you aware, when you were negotiating
5 with Oasis and Potamkin, that SBS was also involved in
6 negotiations with them?

7 A I don't remember specifically. I thought
8 that we were negotiating independently. But then they
9 could have always been there, but I don't remember,
10 but it was certainly possible. I knew that they were
11 involved as well, but I just don't -- I just don't
12 remember.

13 Q When you say negotiating independently what
14 do you mean?

15 A I didn't know that anybody else was
16 negotiating against us.

17 Q Did you have an agreement with -- with Oasis
18 or Potamkin that you'd be the only -- that they'd
19 negotiate exclusively with you?

20 A No, we did not.

21 Q Had you complained --

22 A That I remember.

23 Q Did you complain to them afterwards that you
24 didn't like the way they negotiated in parallel
25 tracks?

1 A It's possible. I don't remember that.

2 Q How many meetings did you -- did you have
3 with Oasis and Potamkin?

4 A I'm not sure. Two or three, maybe. I'm
5 just not sure.

6 Q Who else from -- from Heftel was involved in
7 those negotiations?

8 A I'm sure that Randall Mays was probably
9 involved.

10 Q At that period in time were you normally
11 involved in negotiations over the purchase of two
12 radio stations?

13 A Yes, at that juncture, for that -- while I
14 had the CEO title for both Clear Channel and Heftel.

15 Q And you were involved -- you would -- you
16 were involved in other negotiations at that point in
17 time for -- for either -- either Clear Channel or
18 Heftel for getting negotiations concerning the
19 acquisition of radio stations?

20 A Yes.

21 Q Since then -- since then have you delegated
22 that to other people?

23 A I don't get involved in the acquisition
24 process specifically or generally except at the board
25 level at this juncture.

1 A I expected to go into that in the December
2 6th meeting.

3 Q So you were going to wait till you talked to
4 Mr. Alarcon.

5 A Yeah.

6 Q And so let's go to the -- let's go, then, to
7 the December 6th meeting. Did you -- did you have a
8 meeting with Mr. Alarcon on December 6th, 1999?

9 A Yes.

10 Q Was it at his office in New York?

11 A Yes.

12 Q Was it for about a half an hour?

13 A As -- as I remember, we -- we didn't get to
14 some of the things that we discussed in the -- in the
15 letter. But it was kind of a emphasis on threats
16 against, you know, us, which has kind of become his
17 pattern.

18 Q Threats against us meaning threats
19 against --

20 A Clear Channel.

21 Q Oh. Well, did you -- did you discuss any --
22 did Mr. Alarcon, at the December 6th, 1999 meeting
23 with you, discuss the details of what he was
24 complaining about?

25 A In very general terms, as I remember it. I

1 remember that he told me that -- that Randall had made
2 some disparaging remarks about him. And I told him
3 specifically that Randall didn't make disparaging
4 remarks against anyone and I don't believe that that's
5 true.

6 Q And was your -- was your statement to
7 Mr. Alarcon at that meeting about your belief in
8 Randall based on your -- your general belief in
9 Randall's integrity as opposed to a specific review of
10 the allegations that Mr. Alarcon was making?

11 A I would say principally his integrity but --
12 because I didn't know anything about the allegations.

13 Q Right. So you were saying to Mr. Alarcon
14 that you couldn't believe that Randall would have said
15 something like that.

16 A I told -- I said he absolutely wouldn't say
17 something like that is what I -- my exact words were.

18 Q And the something like that, that
19 Mr. Alarcon was complaining about, was that
20 Randall Mays had sold Elizabeth Satin of Lehman
21 Brothers --

22 A He didn't tell me anything with regard to
23 Elizabeth Satin at all. The only thing he told me was
24 that Randall Mays said that I was a drug user. And I
25 said that's not true.

1 Q So what's not true is that Randall Mays
2 never said to anyone that Raul Alarcon was a drug
3 user?

4 A That's true. That's what I told him.

5 Q And did you -- did you later ask your son
6 Randall if he had ever said to anyone that --

7 A No.

8 Q -- Raul was a drug user?

9 A No.

10 Q And if Randall had said to someone that Raul
11 was a drug user would that have bothered you?

12 A I don't know whether that would have
13 bothered me or not because I wouldn't have known
14 whether it was true or false or someone else said
15 something to him about it or whatnot.

16 But it's a nonevent for me because I
17 have known him for a very long time, and I know that
18 he wouldn't have a malicious statement about someone
19 on those kinds of terms.

20 Q And --

21 A And I feel very strongly about that.

22 Q And if your son Randall had made a malicious
23 statement that Mr. Alarcon was a drug user, to an
24 investment banker, would that bother you?

25 A It depends on the circumstances upon which

1 he made that statement. But I don't believe he made
2 that statement.

3 Q If your son Randall had told Elizabeth Satin
4 at Lehman Brothers that --

5 A If my son Randall had told anyone that
6 someone was a drug user that he knew was not true,
7 that would be wrong.

8 Q What if your son Randall had told someone
9 that he thought someone might be a drug user but he
10 didn't know it was true or not, and before they went
11 ahead with an underwriting for an initial public
12 offering that they should **look** into whether he was a
13 drug user?

14 A Well, I don't -- I don't want to play
15 what-if because I don't know the circumstances upon
16 which a conversation took place between two people
17 that you say it took place between. I wasn't a party
18 to that. I haven't discussed that in detail with
19 either Elizabeth Satin or him.

20 The only person that I have ever
21 discussed that with was Mr. Alarcon. And I absolutely
22 told him that that was not true.

23 Q And based --

24 A At this meeting on December the 6th.

25 Q Do you know of any reason why your son

1 Randall in the summer of 1999 would have had a
2 conversation with Elizabeth Satin at Lehman about
3 whether or not Mr. Alarcon was a drug user?

4 A No.

5 Q Is there any -- any reason --

6 A I don't know that she did or -- no.

7 Q Is there any reason --

8 A I have not been privy to any conversations
9 between Elizabeth Satin and you or Mr. Alarcon or
10 Randall Mays or anyone else.

11 Q Is there any -- any reason for the business
12 purposes of Clear Channel that Mr. Mays would have --
13 would have told Elizabeth Satin in the summer of '99
14 during the SBS IPO that Mr. -- that Mr. Alarcon was a
15 drug user?

16 A Why would you ask me a question of what if
17 somebody said something about something that I'm not
18 aware of? I'm not aware of any of the conversation
19 and I'm not going to comment on what-if questions.

20 Q So you think it was okay from -- you think
21 it would have been okay for your son Randall to have
22 told --

23 A I didn't say that at all.

24 Q You don't think it would be okay. Right?

25 A I didn't say that at all. I just said I'm

1 not going to comment on a conversation that took place
2 that I was not a party to before or after that
3 conversation took place.

4 Q After defending your son Randall to
5 Mr. Alarcon on this December 6th, 1999 meeting, did
6 you consider asking Randall if he had made any
7 statements like that?

8 A I don't remember whether I did or not.

9 Q You --

10 A I --

11 Q And you didn't ask Randall.

12 . A I didn't.

13 Q And to date you haven't still asked Randall?

14 A I overheard something in this deposition a
15 couple of days ago where you asked him a question.
16 That's the only thing I know about what you're talking
17 about.

18 Q And did you hear Randall's answer to that
19 question?

20 A I don't remember exactly what he said except
21 that he had heard from another individual that there
22 were rumors about Mr. Alarcon using -- having some
23 connection with drugs that was somehow in the public
24 domain. But that's all I know, and I don't want to
25 answer any questions about that because that was the

1 first time I heard about it.

2 Q And did you hear your son Randall at his
3 deposition say that he had communicated that rumor on
4 to Elizabeth Satin of Lehman?

5 A I think I did hear that, yes.

6 Q And did you hear him say that he didn't --
7 he didn't know whether it was true or not, that
8 Mr. Alarcon was a drug user?

9 A I don't remember. I may have left by then.

10 Q So do you -- based on what you heard the
11 other day, that your son Randall passed on to
12 Elizabeth Satin of Lehman in the middle of the SBS
13 IPO, that someone --

14 A I don't remember him saying that he passed
15 it on. I only remember him saying that he heard --
16 heard that. I think that's when I left.

17 Q Is that why you left?

18 A No.

19 Q You don't know --

20 A No. No. I left because I had to be in
21 Austin, Texas for a stage party for the inauguration.
22 That's the reason I left.

23 Q Did you -- well, let me -- let me fill in
24 the rest of what he said, then, to you. You heard him
25 say that someone -- you heard him say that Jeff Hinson